



SECRET/CONTROL - U.S. OFFICIALS ONLY

50X1-HUM

- 2 -

necessary measures to insure that no more than 20 percent of all motor vehicles now existing in both countries were allocated for private use.

3. In the general directives concerning automobile production in the Soviet orbit, the USSR insists on the urgency of the motorization of Central and Eastern Europe (designated for the next 18 months as a critical requirement). Motorization would include standardization of the models of cars, trucks, and tractors; designation of places where new production would be centralized; and plans for a common highway network for Central and Eastern Europe. Because of the urgency stressed in the Soviet proposal of 10 November 1951, the following recommendations, agreed to at a conference of Czechoslovak experts in Prague on 25-27 November 1951 under the chairmanship of Dr. Jaromir Dolansky, then Minister of Planning, were to be forwarded to the international conference on 5-10 January 1952 in Warsaw:
  - a. The Czechoslovak Government was prepared to send groups of Czech technicians, engineers, and skilled workers to Poland immediately, and to furnish all mechanical and electrical installations needed there to facilitate and speed up mass production of the Czechoslovak tractor Zetor 30, whose license had recently been sold to the Polish Government, in the newly built factories in Szczecin (Stettin).
  - b. The Czechoslovak Government was prepared to guarantee all requirements in tires to permit mass production as early as possible of the car whose license had been recently bought by the Polish Government. The car will be produced in the newly built factories Fabryka Samochodow Osobowych in Warsaw.
  - c. The Czechoslovak Government was prepared to participate in the expansion of the Slavonic circuit of highways connecting Poland and Czechoslovakia with a new network of roads so as to establish as soon as possible a suitable highway network in Central and Eastern Europe.
4. In addition to these proposals, the Czechoslovak Government was advised in a report of experts dated 25-27 November 1951 to instruct its delegation to the international conference in Warsaw to emphasize the readiness of the Czechoslovak Government to increase the export of Czechoslovak cars to Poland by 25 percent during 1952 and to agree to the standardization of parts.
5. No decision had been reached by the Czechoslovak Government by 12 December 1951 concerning military requirements contained in the Soviet proposal of 10 November 1951, and no contacts had been made as yet in this respect with the Government of the Hungarian People's Republic. Dr. Josef Krasny, chief of the political department of Prime Minister Antonin Zapotocky's office, informed the Hungarian Minister in Prague, Janos Boldoczki, on 1 December 1951 that negotiations would be forthcoming without, however, indicating a precise date for them.
6. It was assumed in Prague that in the course of the international conference in Warsaw a special agreement concerning the production of light cars in Central and Eastern Europe would be concluded, at a Soviet request, between Skoda Pilsen, Czechoslovakia, and B.M.W. (SAG Avtovelo), Eisenach, East Germany. Similar agreements were expected to be imposed on the Czechoslovak production of trucks and tractors in connection with the motorization of industry and agriculture in Central and Eastern Europe. To this end, the systematic cooperation of the Czechoslovak motorcar industry and the East German truck factories Ifa Kraftfahrzeugwerk Framo (VEB), Hainichen, and Ifa Kraftfahrzeugwerk Horch (VEB), Zwickau, will be requested by Soviet experts. In the same way, full collaboration of the Polish tractor (Ursus 45) factory Panstwowe Zaklady Mechaniczne, Ursusie, and the East German tractor (Aktivist) factory Brandenburg/Havel will be requested.

50X1-HUM

SECRET/CONTROL - U.S. OFFICIALS ONLY

SECRET/CONTROL - U.S. OFFICIALS ONLY

50X1-HUM

- 3 -

7. It was feared in Prague that motorcycle production would also be involved during negotiations at the conference, with the eventual fusion of the Czechoslovak motorcycle (Jawa) factory Mototechna, Prague, and the Polish motorcycle (Sokol, S.H.L.) factory at Starachowice, where the newest Polish truck (Star.A. 20) is being produced with the help of Czechoslovak engineers and mechanical industry.
8. The Czechoslovak delegation to the international conference in Warsaw was to be headed by Army General Frantisek Papousek. and Ministers Augustin Kliment, Karol Bacilek, and Alois Petr.\*\*

\*  Comment: Probably Ifa Schlepperwerk Brandenburg (VEB).

50X1-HUM

\*\*  Comment: Alois Petr recently died and was replaced as Minister of Transportation by Antonin Posposil.

SECRET/CONTROL - U.S. OFFICIALS ONLY